

AMENDED IN ASSEMBLY JUNE 21, 2005

AMENDED IN SENATE MAY 27, 2005

AMENDED IN SENATE MAY 2, 2005

AMENDED IN SENATE MARCH 29, 2005

**SENATE BILL**

**No. 621**

**Introduced by Senator Speier**

February 22, 2005

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An act to add ~~Section~~ *Sections 3517.63 and 19829.5* to the Government Code, relating to employment relations.

LEGISLATIVE COUNSEL'S DIGEST

SB 621, as amended, Speier. ~~Department of Personnel Administration: posting of MOUs. Memoranda of Understanding: addenda and posting.~~

~~Existing~~

*(1) Under the Ralph C. Dills Act, a provision of a memorandum of understanding reached between the state employer and a recognized employee organization representing state civil service employees that requires the expenditure of funds does not become effective unless approved by the Legislature in the annual Budget Act.*

*This bill would prohibit any side letter, appendix, or other addendum to a properly ratified memorandum of understanding that requires the expenditure of funds from becoming effective unless the side letter, appendix, or other addendum is approved by the Legislature in the annual Budget Act or other appropriate legislation.*

*This bill would require the Department of Personnel Administration to expressly identify the side letter, appendix, or other addendum to a properly ratified memorandum of understanding that does not require*

*the expenditure of funds if that side letter, appendix, or other addendum is to be incorporated in a subsequent memorandum of understanding submitted to the Legislature for approval.*

(2) Existing law requires the Department of Personnel Administration to establish and adjust salary ranges for each class of position in the state civil service subject to any merit limits contained in Article VII of the California Constitution. The department also represents the Governor and presents the state's management position in negotiations with recognized employee organizations representing state employees.

This bill would require the department to post, in a clear and conspicuous manner on the department's Web site, each memorandum of understanding that has been submitted to the Legislature for determination pursuant to the Ralph C. Dills Act and has been ratified by the affected union membership, in its entirety. The bill would require the Web site posting to include a declaration that the memorandum has been submitted to the office of the Legislative Analyst and the Legislature, including the date of that submission and a summary of the memorandum of understanding that is the same summary provided to the Legislature by the department.

The Legislative Analyst would have 25 working days from the date the memorandum of understanding is received to issue a fiscal analysis to the Legislature. The bill would provide that the memorandum of understanding would not be subject to legislative determination until the Legislative Analyst has presented a fiscal analysis of the memorandum to the Legislature or until 25 working days have elapsed since the memorandum was received by the Legislative Analyst.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     SECTION 1. Section 3517.63 is added to the Government
- 2     Code, to read:
- 3     3517.63. (a) *Any side letter, appendix, or other addendum to*
- 4     *a properly ratified memorandum of understanding that requires*
- 5     *the expenditure of funds shall not become effective unless*
- 6     *approved by the Legislature in the annual Budget Act or other*
- 7     *appropriate legislation.*

1     ***(b) A side letter, appendix, or other addendum to a properly***  
2     ***ratified memorandum of understanding that does not require the***  
3     ***expenditure of funds shall be expressly identified by the***  
4     ***Department of Personnel Administration if that side letter,***  
5     ***appendix, or other addendum is to be incorporated in a***  
6     ***subsequent memorandum of understanding submitted to the***  
7     ***Legislature for approval.***

8     **SECTION 1.—**

9     **SEC. 2.** Section 19829.5 is added to the Government Code,  
10    to read:

11     19829.5. (a) The department shall post, in a clear and  
12     conspicuous manner on the department's Web site, each  
13     memorandum of understanding that has been submitted to the  
14     Legislature for determination pursuant to Section 3517.5 and that  
15     has been ratified by the affected union membership. The  
16     memorandum of understanding of the agreement reached  
17     between the Governor and the recognized employee organization  
18     shall be posted on the department's Web site in its entirety, with  
19     a declaration that the memorandum has been submitted to the  
20     office of the Legislative Analyst and the Legislature, including  
21     the date of that submission. The department shall include on its  
22     Web site posting a summary of the memorandum of  
23     understanding that is the same summary provided to the  
24     Legislature by the department.

25     (b) Each memorandum of understanding submitted by the  
26     department to the Legislative Analyst shall include the  
27     department's analysis of costs and savings.

28     (c) The Legislative Analyst shall have 25 working days from  
29     the date the memorandum of understanding is received to issue a  
30     fiscal analysis to the Legislature. The memorandum of  
31     understanding shall not be subject to legislative determination  
32     until either the Legislative Analyst has presented a fiscal analysis  
33     of the memorandum to the Legislature or until 25 working days  
34     have elapsed since the memorandum was received by the  
35     Legislative Analyst.